Culture and Communication
in International Marketing Channels

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As global competition has increased, there has been a renewed interest in the effect of culture on marketing strategy (Aggarwal 1995; Black and Porter 1991; Bigoness and Blakely 1996; Dyer and Song 1997). The basic question, which has been argued for decades (see for instance, Buzzell 1968; Levitt 1983), is whether (or to what extent) management theories and practices are transferable across cultures (Douglas and Wind 1987). Some assert that globalization and changes in technology have lead to standardization, increasingly similar cultures, and universal management practices (Levitt 1983; Misawa 1987; Harpaz 1990; Ralston et al 1992). Others argue that despite the standardization of products and services, cultures are resistant to change, cultural differences are fairly stable over time, and different cultures require different management practices (Newman and Hollen 1996; Hofstede 1980; 1991; Barkema and Vermeulen 1997; Erez 1986). Research findings have been mixed, but recently academicians have tended toward the view that culture does still matter. However, it has appeared that many organizations operate under the belief that cultures are converging and therefore, the transferability of management practices is a viable strategy (Callahan 1989; Marketing News June 1998). Thus, the impact of culture on marketing management strategies is still an important issue.

In addition, it has been recognized that while culture is a complicated concept, various authors have derived models of culture. Hofstede (1997) asserts that further evaluations of culture should not rely on isolated observation of practices, but rather that a careful study of the underlying values that spawned those practices (national culture) is necessary. Additionally, it has been suggested that international marketing research should delve beyond the testing of hypotheses which posit that a particular behavior in one nation differs from a particular behavior in another nation to the testing of more general hypotheses which posit that a certain behavior will occur in nations in which particular cultural traits are exhibited (Clark 1990). The international marketer is ultimately interested in developing strategies which optimize performance given the cultural environment.

In the current environment of heightened international competition, international marketing channels have become very important to the effectiveness and efficiency of organizations. Marketing channels are increasingly viewed as integrated vertical marketing systems, and an emphasis on cooperation among channel members in a quest to achieve individual and systematic goals on a global scale has emerged (Fites 1996). Adequate communication in these vertical marketing channels systems may be very important for the achievement of the channel goals. While communication has been extensively researched by scholars across the business and behavioral disciplines, the importance of communication across cultures has been addressed primarily in conceptual terms. The limited empirical efforts have led to oft suggested remedies and prescriptions for narrowly based resolutions of "improved communication" or "open communication" (Mohr 1989). Thus, a better understanding and comprehension of the various channel conditions (e.g., culture) may be necessary for the development of appropriate marketing channel communication strategies. This is important not solely for the goal of effective communication, but because theorists from marketing, international management, and organizational behavior have emphasized the importance of communication with and between firms as a moderator of performance. Improved communication may lead to improved performance.

In this paper, a review of the international marketing cross-cultural literature will be performed, along with a review of

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communication in international marketing channels. Propositions will be developed regarding the theoretical relationships among international culture, marketing channel communications, and marketing channel member performance.

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